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Reasons people are not in the labour force

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Between March and April 2020, Australia experienced unprecedented change in the labour market from restrictions to slow the spread of COVID-19 and government support packages to mitigate its impact on individuals, households and businesses.

As highlighted in [People who lost a job of were stood down: Flows analysis](#) (<https://beta.abs.gov.au/articles/people-who-lost-job-or-were-stood-down-flows-analysis-april-2020>) in the April issue of Labour Force, Australia (6202.0), the number of unemployed people increased by around 100,000 and the unemployment rate increased by 1.0 pts to 6.2% between March and April.

These increases in unemployment, while historically large, only partially reflect the impact on employment from COVID-19. A large number of people had their hours reduced, or were stood down.

There were also many people who were employed in March but not in April who were either not looking for work or not available for work in April (and hence were not in the labour force, rather than being unemployed).

This resulted in the number of people not in the labour force increasing by around 500,000 to 7.5 million in April, the highest recorded in the series. Most (82%) of this increase were

people not actively looking for work.

Reasons not in the labour force

Many of the 7.5 million people who were not in the labour force in April 2020 were permanently not intending to work or permanently unable to work (or were institutionalised or at boarding school).

Of the remaining 4.1 million people in April 2020 who were either not looking for work and/or not available for work:

- almost all (3.9 million, or 95%) did not actively look for work;
- 3% passively looked for work (that is, they only looked at job advertisements/noticeboards, without, for example, applying or contacting the employer);
- 1% actively looked for work, but were unavailable to start in the reference week (but available in next four weeks); and
- less than 1% actively looked for work, but were unavailable to start in next four weeks.

The very high proportion of people not in the labour force who did not actively look for work was similar to March 2020 and consistent with the long-term series.

Not looking for work

There were almost 3.9 million people who were not looking for work. This was an increase of almost 450,000 from March. Almost half of the increase in people not actively looking for work was amongst people aged 15 to 24.

Passively looking for work

The number of people passively looking for work increased by 38% to 140,000 between March and April, perhaps indicating that while many people were looking at potential jobs, there may not have been any suitable jobs to apply for, they were unable to apply for them, or that their availability may have been limited.

Further information

For further information, email labour.statistics@abs.gov.au (<mailto:labour.statistics@abs.gov.au>).